TRANSAMERICA INVESTORS SECURITIES, LLC
REGULATION BEST INTEREST DISCLOSURE STATEMENT

February 14, 2025

Transamerica Investors Securities, LLC ("TIS", the "Firm", "we", "our" or "us") is providing this Regulation Best Interest ("Reg BI") Disclosure Statement ("Disclosure Statement") to you, our prospective client or current client, to inform you about the products and services we offer. This disclosure provides information regarding the material facts relating to:

- the scope and terms of our relationship with you, including the capacity in which we are acting;
- the type and scope of services we provide, including any material limitations on the securities or investment strategies we make available or recommend;
- the material fees and costs that apply to your transactions, holdings, and accounts; and
- the conflicts of interest that exist for us and our financial professionals.

For additional information regarding TIS and its brokerage services, or your brokerage account, please see our Form Client Relationship Summary ("Form CRS") which is available at https://www.transamerica.com/portal/. We encourage you to review this Disclosure Statement in detail. You can contact TIS with any questions you may have, and you may also request this Disclosure Statement or our Form CRS by contacting us at (866) 368-0566. In addition, you may also research your financial professional's experience and licenses on the Financial Industry Regulatory Authority's ("FINRA") BrokerCheck website at brokercheck.finra.org.

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Scope and Terms of Our Relationship with You

Our Role as a Broker-Dealer

TIS is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer and is a member of FINRA. As a broker-dealer, we are subject to federal securities laws, such as the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, the rules and regulations of self-regulatory organizations, such as FINRA, and applicable state laws. Brokerage services are provided by a broker-dealer and investment advisory services are provided by an investment adviser, and the fees that they charge differ. It is important for you to understand the differences. The best solution for you will depend on your individual situation and circumstances.

In our capacity as a broker-dealer, we can recommend securities transactions for you, including buying and selling securities (including investment funds and products) that can be held in your brokerage account.

Our financial professionals do not make investment decisions for you or manage your brokerage account on a discretionary basis. Because our financial professionals do not have discretionary investment authority, this means that we cannot buy or sell investments in your brokerage account without first obtaining your approval. Our financial professionals may recommend investments to you, but you are ultimately responsible for making the decision whether to purchase or sell investments, and we will only purchase or sell investments when specifically directed by you**. Our financial professionals do not monitor your account, including the investments that they have recommended.**

There are key differences between broker-dealer and investment adviser standards of conduct that you should be aware of. For example, investment advisers are subject to a fiduciary duty and are generally obligated to provide ongoing advice and account monitoring, while broker-dealers are subject to no such duty under federal securities law (unless they voluntarily agree to such duty). Instead, broker-dealers must act in your best interest *at the time* a recommendation is made under the SEC's Reg BI. When a financial professional provides recommendations to you as a representative of a broker-dealer, they are subject to the requirements of Reg BI.

TIS is not an investment adviser and does not provide investment advisory services. Our affiliate, Transamerica Retirement Advisors, LLC ("TRA"), is an investment adviser registered with the SEC. Our registered representatives may also serve as an investment advisory representative or "IAR" for TRA. If you are interested in learning more about TRA's advisory services, please talk to your financial professional, or consider reviewing TRA's Form ADV brochures available at the SEC's Investment Adviser Public Disclosure website at https://adviser.sec.gov/. In addition, free and simple tools are available for you to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

As noted above, our financial professionals may be registered with both TIS and TRA, meaning that they can offer you both brokerage accounts and services through TIS and investment advisory accounts and services through TRA. If opening an investment advisory account, all recommendations will be made by the financial professional through TRA in their capacity as an IAR of TRA, and you would be a client of TRA, not TIS. Your financial professional will provide you a relationship summary titled "Form CRS – Customer Relationship Summary" that explains the capacity in which they are acting.

Our Brokerage Services do NOT include the following services:

- *Investment advisory services.* Although we can provide you with investment recommendations and related advice that is incidental to brokerage transactions in your brokerage account, we do not provide on-going investment recommendations or advice for transactions in your brokerage account or annuity. We do not act in the capacity of an investment adviser for your brokerage account or annuity. As an alternative, or in addition to the brokerage services provided by TIS, you can enroll into investment advisory programs provided by TRA where you will receive investment advisory services as outlined in a separate agreement with TRA.

- *No ongoing monitoring.* From time to time, we may voluntarily review the holdings in your account for the purposes of determining whether to make a recommendation to you. For purposes of Reg BI, however, we do not provide an ongoing monitoring service or monitor your account, and Reg BI does not require us to do so. If ongoing monitoring of your account and periodic advice is important to you, you might consider an investment advisory account.

- *Discretionary authority*. We have no discretionary authority over your account, and we can only purchase or sell securities or investment strategies that you authorize. This means that you make all decisions for your account.

<u>Our Products and Services</u>

Brokerage accounts are generally appropriate for customers who do not want active ongoing advice and are adequately experienced and knowledgeable enough to make all investment decisions for their own accounts, whether working with a TIS financial professional or independently.

Current Products and Services. We currently offer an individual retirement account ("IRA"), and annuity products. The IRA includes investments sponsored and/or managed by our affiliates. There is no minimum initial investment amount for the Transamerica Brokerage IRA. The annuity products we offer are issued by independent insurance companies and affiliated Transamerica insurance companies. These annuity products typically impose a minimum initial investment amount and a maximum contribution amount.

***Investment Authority**.* Our financial professionals do not make investment decisions for you or manage your account on a discretionary basis. This means that we cannot buy or sell investments in your account without first obtaining your consent. We will only purchase or sell investments when specifically directed by you. **Note that when you engage in a transaction that we do not recommend, we are under no obligation to determine whether such transaction is in your best interest.**

Monitoring. While our financial professionals remain available to assist you, our financial professionals do not monitor your account(s) or your investment performance, even if we recommended the account or investment.

Limitations. Not monitoring your account(s) or investment performance and not being able to manage your account(s) on a discretionary basis are material limitations on our services and the services of our financial professionals. We also have limitations on the type and scope of the products and services that we offer or provide to you. While we believe the line-up of products and services that we offer meet certain investment needs of our customers, we understand that it will not meet the needs of all potential customers. We periodically evaluate our account types and our product and service offerings to determine whether to offer new account types or new products and services. Our ability to offer certain account types, as discussed below, is a material limitation on the securities or investment strategies that our financial professionals may offer to you. You should discuss any such limitations with your financial professional. Customers seeking a broader array of account types or investment options should consider other broker-dealers.

Account Types. We currently offer taxable and tax-deferred accounts. The Transamerica Brokerage IRA is a tax-deferred IRA, while the annuity products offered are generally available on both a taxable and tax-deferred basis.

Investments. We do not offer the ability to invest in securities such as stocks, bonds, exchange traded funds (ETFs), closed-end mutual funds, 529 plans, options, futures, or alternative investments. The investment options available in the Brokerage IRA are limited to proprietary mutual funds and a Transamerica stable value option. Our annuity products include both proprietary and non-proprietary annuities.

Before deciding whether to open an account with us, you should discuss your account options and our available products and services with your financial professional to decide what best fits your needs and goals.

<u>Standard of Conduct</u>

Under Reg BI, when we recommend a product or strategy we must have a reasonable basis, considering the potential risks, rewards, and costs associated with a recommendation, to believe that each recommendation made to you is in your best interest and that it does not place our interests ahead of yours. In determining whether a recommendation is in your best interest, we must consider your individual investment profile, which includes, but is not limited to, your age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, retirement income needs and other information that you may disclose to us in connection with a recommendation. The requirement under Reg BI that we act in your best interest is limited to recommendations that we make with respect to a security or investment strategy.

We also have an obligation to act in your best interest under the Department of Labor's fiduciary rules. Two fiduciary duties, prudence and loyalty are involved in making a best interest determination. Second, compensation received by TIS, its affiliates and its financial professionals must be reasonable. Third, we must seek to obtain best execution of the investment transaction reasonably available under the circumstances. We rely on prohibited transaction exemption ("PTE") 2020-02 when making recommendations to roll assets from a retirement account such as a 401(k) or an IRA. PTE 2020-02 requires certain disclosures be made and we fulfill the disclosure requirements by giving potential clients disclosure documents up front during the new account process. Some of these include a Best Interest Acknowledgement form, Form CRS, and this document. Financial professionals must also discuss when talking to a prospective client with an employer plan retirement account and considering the option of an IRA rollover:

- the alternatives to a rollover, including leaving the money in the client's employer's plan, if permitted;
- the fees and expenses associated with both the plan and the IRA;
- whether the employer pays for some or all the plan's administrative expenses; and
- the different levels of services and investments available under the plan and the IRA.

Fees and Costs

You will pay certain fees and costs associated with your account and holdings.

Fees and Costs Associated with Accounts

There are no transaction fees for the Brokerage IRA. There may be other fees and costs associated with your account, which will be described in the schedule of fees and costs in your new account paperwork. Our primary source of revenue is derived from certain fees we receive in connection with your investments in the IRA, which are described below.

When you open a Brokerage IRA, we will charge an annual account maintenance fee for maintaining your account with us. This account maintenance fee compensates us for certain administrative services that we provide and reimburses us for certain operational expenses that we incur in administering your account. The fee is deducted from accounts on a quarterly basis. Brokerage accounts opened before 2020 are not assessed the account maintenance fee. In certain cases, we may waive this fee based on your account value. Please discuss with your financial professional whether your account charges an account maintenance fee.

If you purchase an annuity, we do not charge any fees in connection with your purchase. However, you may pay fees and costs associated with your ownership of the annuity product, which are described generally in the sections below. You should carefully read the annuity prospectus to learn more about the ongoing fees and expenses you pay in connection with the purchase of an annuity, and you should ask your financial professional if you have questions.

Investment Products and Product Specific Fees

Mutual Funds

Mutual funds are pooled investment vehicles that issue redeemable securities, which entitle the shareholder to sell shares back to the fund at their net asset value, which is calculated daily. Mutual funds issue shares on a continual basis, and there is no secondary trading market for mutual fund shares.

Fund Fees. Mutual funds charge fees and operating expenses such as management fees, sub-transfer agency ("sub-TA") fees, and other expenses, which include distribution and/or service fees (12b-1 fees). In addition to the 12b-1 fees, mutual funds typically also deduct other ongoing fees and expenses from fund assets, such as management fees and servicing fees. These ongoing fees and expenses are typically used to pay for the mutual fund's continued annual operating expenses (these ongoing fees are sometimes referred to as the mutual fund's "expense ratio"), such as paying the mutual fund's investment manager, accounting and auditing expenses, legal expenses, and recordkeeping expenses. The fund's total expense ratio is calculated as a percentage of your assets. You pay these fees and expenses indirectly because they are deducted from your assets on an ongoing basis, and, accordingly, will adversely impact your investment results. More information about ongoing fees and expenses associated with mutual funds is available in the fund or product prospectus, which are available by logging into your account at Transamerica.com.

Fund Share Classes. Most mutual funds utilize multiple share classes, with differing fees and expenses for distribution and shareholder services. Each class typically has different fees and costs, and therefore fund performance results will differ as those fees and expenses reduce performance across share classes. You should also note that the amount of time you expect to hold your investment in a mutual fund may play an important role in determining which share class is most appropriate for you, and you should discuss this consideration with your financial professional. Though there are many different types of share classes, our current brokerage IRA account includes only class A and class R3 shares, which include 12b-1 fees and administrative service fees. The class A and the class R3 shares in the IRA are "load-waived" meaning that you do not pay a sales charge when you purchase shares of the funds. Additionally, TIS does not receive any commissions on the sale within the IRA, and only retains the 12b-1 fees for its services. We offer only the class A and class R3 share classes even where there are less costly share classes that do not charge such fees because this is how we are compensated for providing services to you.

Fund Disclosures. An important aspect of mutual fund investing is to read the mutual fund's prospectus carefully before investing. Each mutual fund prospectus contains useful information that will help you make an informed decision about an investment in a mutual fund. When deciding whether to invest in a mutual fund, you should consider several different factors, including the mutual fund's past performance, investment objective, investment strategies and risks, the investment adviser responsible for the management of the mutual fund's assets, and the fees and expenses associated with the mutual fund. While past performance of a mutual fund is not indicative of future results, a mutual fund's long-term performance record and portfolio manager's experience and qualifications may be important factors in deciding whether to invest in a mutual fund.

Annuity Products

We offer structured annuities, commonly referred to as registered index-linked annuities ("RILAs") and variable annuities ("VAs"). Our affiliate, Transamerica Retirement Insurance Agency, offers other types of annuities such as fixed and fixed-indexed annuities. RILAs and VAs are issued by insurance companies and will be in the form of a contract between you and the insurance company. Annuity products differ in their features, benefits, fees and costs of the product, and in minimum and maximum premium amounts.

Annuity products can help with saving for retirement. Funds invested in annuities can grow tax-deferred, meaning you will pay no federal taxes on the investment gains on the funds you invest in your annuity until you make a withdrawal, receive income payments, or a death benefit is paid. When you withdraw your funds from the annuity, however, you will pay tax on the gains at ordinary federal income tax rates rather than lower capital gains rates. When you start taking income payments, you can select payment options that will guarantee you payments for so long as you live or for a specified period. Some annuities offer additional features and guarantees, available as options or riders.

- **RILAs.** A RILA is an annuity that shares characteristics of fixed-indexed annuities and variable annuities. A RILA calculates gains and losses based on the performance of a particular market index, and it does not directly invest in the stock/bond markets. Instead, the contract offers tax-deferred growth opportunities by tracking the performance of a market index. A RILA has the ability to limit losses during a market downturn, but also limits or "caps" gains when the market goes up. For additional information regarding RILAs, please review the specific insurance company prospectus regarding that annuity's costs and features.

- **VAs.** Variable annuities are designed to help meet investment and income objectives for retirement. VA contracts offer tax-deferred growth through a range of investment options and the performance of the VA is based on the performance of underlying investment options chosen by the contract owner. The investment options typically include sub-accounts that invest in various types of mutual funds. For additional information regarding VAs, please review the specific insurance company prospectus regarding that annuity's costs and features.

Annuity products are not short-term investment vehicles. Withdrawing funds or surrendering an annuity product a short time after purchase (often less than 5-8 years) will likely trigger surrender fees and charges, may trigger tax penalties, and may cause you to lose important benefits of the contract. Additionally, you can lose the money you invest in annuity products, including the potential loss of your initial investment, due to poor performance of the investment options you select and/or the cumulative impact of fees and charges on the cash value of your annuity.

Although annuity products typically have a "free look" period, you should learn about the specific annuity you are considering before you invest. Before making any purchase decision, you should consider all costs, fees and expenses associated with an annuity and whether such a purchase is consistent with your risk tolerance, liquidity needs, potential long-term care needs, life expectancy and your ability to understand all features of an annuity.

Annuity Fees and Expenses – General. Annuity products include certain ongoing fees and expenses that are imbedded in the cost of the product. Certain fees and charges may be paid directly with the fee or charge being deducted directly from your account. Other ongoing fees and expenses are paid indirectly as they are factored into the cost of the product. Customers will pay fees and expenses whether they make or lose money on their investments. Fees and expenses will reduce any amount of money you make on your investments over time.

A fee or charge will typically be assessed when you take partial or full withdrawals from an annuity contract during a "surrender period." Withdrawal charges often range up to 8% or more of the amount withdrawn from the contract. A product charge/fee may be charged for the insurance benefits under the contract and are typically a percentage of your contract value. Certain of those benefits and their associated costs may be standard options embedded within the contract or while others may be optional, such as living benefits, guaranteed minimum income benefits, long term care insurance benefits, and enhanced death benefits. Annuities may also assess a periodic administrative fee/charge for administrative or account maintenance services provided by the insurance carrier. Such fees/charges are often a flat dollar amount. You may also pay a premium tax, which is charged by certain states and municipalities.

RILA product fees are collected by the insurance carrier. Common charges, which are deducted from the account value on a periodic basis, include administrative fees, product charges, withdrawal charges, premium taxes, and optional benefit charges. VA product fees are collected by the insurance carrier. Common fees and charges include product fees administrative fees/charges such as separate account charges or mortality expense charges, premium taxes, transfer charges, withdrawal charges and optional insurance benefits. You will also indirectly pay the expenses associated with the underlying investment options within the VA. Each product, whether a RILA, VA, or other annuity product, has different fees and charges. **All investors should understand the fees and expenses they are paying, including reviewing the prospectus of the annuity contract they are considering.**

In addition, you should ask your financial professional to explain all charges that may apply. These fees and the purposes for which they are imposed are described in the prospectus for each product. These expenses will reduce your investment return.

Stable Value Options:

Stable value investment options seek to preserve principal and provide consistent returns and liquidity. They are typically comprised of, or may invest in, annuity or investment contracts issued by life insurance companies, banks, and other financial institutions. All deposits are credited daily with no set maturity. Individuals can withdraw or transfer funds at daily book value regardless of market conditions.

Stable value options seek capital preservation, but they do carry potential risks. Stable value options are subject to the risk that the insurance company or other financial institution will fail to meet its commitments and are also subject to general risks posed by fixed income investments, including interest rate risk and credit risk. Stable value options are not insured or guaranteed by the FDIC or any other governmental agency, and they are not a deposit of or guaranteed by any bank, bank affiliate, or credit union, and they may lose value.

Important Information about Conflicts of Interest

Reg BI defines a conflict of interest associated with a recommendation as "an interest that might incline a broker, dealer, or a natural person who is an associated person of a broker or dealer—consciously or unconsciously—to make a recommendation that is not disinterested." A conflict of interest arises when an economic benefit incentivizes either us or our financial professional to put our interests and/or the interests of the financial professional ahead of your interests as a customer. The fact that we make money when you open an account with us creates conflicts with your interests. The nature of the conflicts that can arise can be divided into the following categories:

- Customer (you) vs. Our firm and our financial professionals;
- Customer (you) vs. Our firm alone; or
- Customer (you) vs. Our financial professionals

The section below discloses material facts relating to these conflicts so that you can make an informed decision regarding interactions with our Firm and our financial professionals and any recommendation that a financial professional provides you.

<u>Conflicts for Both Our Firm and Financial Professionals</u>

- **TIS *and our financial professionals get paid when you invest based on our recommendations.*** TAC Financial Professionals receive direct compensation when a client opens an account or purchases an annuity or makes new investments in existing accounts or existing annuity products. These transaction-based payments, usually called commissions, will be based on the amount of invested assets, and incentivize us and your financial professional to recommend that you open an account or purchase an annuity product through TIS, or invest more assets in your account or in your annuity. TAC Financial Professionals may assist and recommend that an individual transfer or rollover their Plan account balance into a brokerage account or annuity. Because we compensate TAC Financial Professionals for each such transaction, there is an incentive for TAC Financial Professionals to recommend the rollover transaction into a brokerage account or annuity. When making a recommendation to rollover assets from a Plan account into a brokerage account or annuity, the TAC Financial Professional is required to act in the client's best interest. TIS seeks to mitigate the conflict by providing training to TAC Financial Professionals regarding their fiduciary and best interest obligations to the client, and by supervising TAC Financial Professionals' recommendations and sales activity to confirm that they have met their best interest obligations.

<u>Conflicts for our Firm and our Affiliates</u>

Conflicts of interest between our firm (including our affiliates), and our customers may be caused by a variety of arrangements, including:

- ***Our affiliates earn more revenue if you purchase proprietary products***. The investment options available in our IRA are limited to "proprietary" investments. This means that the investment options are advised, managed, or issued by a Transamerica affiliate, and our affiliate receives compensation for the services that it provides to such investments. The proprietary products in our IRA include Transamerica-managed mutual funds and a stable value option issued by a Transamerica insurance company. Additionally, we offer proprietary annuity products, which are issued by Transamerica insurance companies.

  With proprietary products, the revenue our affiliates receive includes management fees, administrative service fees, transfer agency fees, revenue sharing, optional benefit charges, and interest spread income. In a non-proprietary product, neither we nor our affiliates earn such revenues. We have an incentive to recommend proprietary products because they generate more revenue over similar non-proprietary products. Including proprietary investment options in our accounts or selecting proprietary annuity products is a conflict of interest because our affiliates earn more revenue from proprietary investments than from non-proprietary investments.

- ***We receive third-party payments from mutual funds offered in our brokerage account.*** Mutual funds are sold with different share classes, which vary in the expenses they charge. We benefit from offering only those mutual fund share classes that pay us 12b-1 fees and pay our affiliates shareholder servicing fees, even where less costly share classes are available. These fees compensate TIS for the services that the Firm and our affiliates provide in connection with your account. Share classes with 12b-1 and shareholder servicing fees are typically more expensive than share classes without such fees, so they generate lower returns for you. We have an incentive to limit available investment options in our brokerage accounts to share classes that pay us these fees and for you to purchase or increase your investment in mutual funds that result in the payment of such fees, since in both cases it will increase the revenue earned by us and our affiliates. Our financial professionals do not receive any portion of these fees received by the Firm.

- ***We have an incentive to recommend the product or service that earn us or our affiliates the most compensation.*** Certain of our financial professionals are also investment advisory representatives of TRA and insurance agents of Transamerica Retirement Insurance Agency ("TRIA"). As a result, your financial professional may be able to recommend advisory services and fixed/indexed annuity products in addition to the brokerage accounts and products recommended through TIS. Such other services and products may generate higher or lower revenues or fees for our affiliates than what we and our affiliates earn in connection with your opening of a brokerage account or purchase of an annuity product. This differential compensation among products creates an incentive for Transamerica to prefer that our financial professionals recommend the products that are most profitable.

TIS seeks to mitigate this conflict by not setting product-specific sales goals for its financial professionals. TIS and its affiliates seek to mitigate this conflict by structuring financial professionals' incentive compensation to be the same across all advisory services and brokerage accounts. Financial professionals may receive higher compensation on annuity product sales versus advisory services and brokerage accounts. To further help mitigate this conflict, we review each recommendation prior to its completion to ensure that it is in the client's best interest. Additionally, TIS and its affiliates provide training to their respective financial professionals regarding their fiduciary and best interest obligations, and monitor/supervise their respective financial professionals' sales activity to confirm that they have met their fiduciary or best interest obligations when making a recommendation to clients.

TRA may be subject to additional conflicts of interest specific to investment advisory services offered by the Firm. Please see the Form ADV Part 2A Brochures for TRA's investment advisory services to review those conflicts of interest, as well as the Firm's efforts to mitigate or remove those conflicts.

<u>Conflicts for Financial Professionals</u>

Our financial professionals receive a salary and can also earn an annual bonus, and periodic incentive compensation. Financial professionals also receive incentive compensation if an individual opens a brokerage account. The incentive compensation may be a flat dollar amount, or an asset-based fee calculated on the amount invested in the account and the number of accounts opened during the month. In addition, TIS conducts programs under which our financial professionals may be eligible to receive non-cash awards and other non-cash benefits. These programs, which may span from one week to several months, will generally focus on financial professionals' activities. This may include the number of phone calls made/received, the amount of time spent in phone queue, use of certain investment tools, decrease in not in good order transactions, call quality metrics, number of applications sent, paperwork assists and/or number of referrals to the Transamerica Advice Center. The payment of bonuses and incentive compensation or non-cash awards and other non-cash benefits does not change the fees that you pay. However, it does create an incentive for our financial professionals to both maximize the number of accounts opened and increase the assets in their clients' accounts. Financial professionals' incentive compensation is structured to be the same across all advisory and brokerage accounts, except for annuity products.

- ***Our financial professionals receive higher compensation when recommending an annuity product.*** As noted above, certain of our financial professionals are able to recommend advisory services, brokerage products, and annuity products. The compensation paid when recommending a brokerage account or a TRA advisory account is the same for both account types. However, when recommending an annuity, the financial professional receives higher compensation. Further, our financial professionals receive higher compensation when recommending more complex annuity products such as RILAs and VAs, compared to the compensation received for less complex annuity products such as fixed annuities and fixed-index annuities offered by our affiliated insurance agency, TRIA.

  We pay higher compensation on the sale of an annuity product, including RILAs and VAs, compared to advisory and brokerage accounts, because of the complex nature of the products and the amount of time that a financial professional spends with the client to ensure that the client understands the product and that it is in the client's best interest. To mitigate the conflict, our supervisory principals review each recommendation prior to contract issuance to ensure that the recommendation of an annuity product meets the client's income needs and is ultimately in the client's best interest. In addition, we limit the ability to offer and recommend annuity products only to our most senior financial professionals.

- ***Our financial professionals may lose compensation if you transfer or close your account or annuity within a specified period after account opening.*** Our financial professionals receive compensation when you open and fund an account. If you transfer or close your account within nine (9) months from the account opening date, the compensation paid to the financial professional will be "charged back" or offset against their current compensation. If you transfer or close your annuity within twelve (12) months from the annuity opening date, the compensation paid to the financial professional will be "charged back" or offset against their current compensation. While this practice is designed to help ensure that the financial professional's recommendation is in your best interest over the long-term, it creates a conflict of interest as the financial professional is incentivized to keep you in your account for at least nine months, or your annuity for at least twelve months. This could impact the advice the financial professional provides you during the nine/twelve-month window to encourage you to stay in the account or annuity a minimum of nine/twelve months respectively. TIS seeks to mitigate the conflict by providing training to TAC Advisors regarding their fiduciary obligations to the client.

- ***Referral Compensation.*** Where appropriate, retirement call center representatives within Transamerica's retirement plan recordkeeping business may refer participants to financial professionals in the Transamerica Advice Center for investment-related, brokerage and/or advisory services. Call center representatives receive a flat dollar amount for such referrals. The receipt of incentive compensation for referrals creates an incentive for these call center representatives to make referrals. The conflict of interest is mitigated by making the payment of incentive compensation independent of whether the referral results in the opening of an account or an annuity. The incentive compensation paid to call center representatives does not increase the fees paid by investors.

  Where appropriate, Transamerica retirement planning consultants ("RPCs"), who are registered representatives of TIS and potentially investment advisor representatives of TRA, may refer participants to financial professionals in the Transamerica Advice Center to provide additional services not available through the RPC, which may include providing advice and recommendations about in-Plan investment options, investment options outside of a Plan or answering specific questions about the client's financial situation, needs and/or objectives. A portion of an RPC's bonus and incentive compensation is based on their referral activity. The receipt of incentive compensation for referrals creates an incentive for RPCs to make referrals. This conflict is mitigated by making the number of referrals made by an RPC only one of many factors in determining the amount of bonus and incentive compensation earned. Other factors used in determining bonus and incentive compensation include other activity-based goals (i.e., the number of group meetings held with participants and the number of individual one-on-one meetings with participants), an RPC's customer service ratings, and personal development goals. Additionally, bonus compensation is tied to corporate financial and non-financial results. TIS further seeks to mitigate the conflict by making the payment of bonus and incentive compensation independent of whether a referral results in the opening of an account or an annuity. The incentive compensation paid to RPCs does not increase the fees paid by investors.

Material Risks

We take reasonable care in developing and making recommendations to you. However, investments in securities and investment strategies involving securities involve risk, which may cause you to lose some or all your money. The risks will vary depending on the investment or strategy being recommended. To learn more about the risks that your investment may be subject to, you should consult any available offering documents and/or prospectuses.

There is no guarantee that our recommendations will meet your retirement or investment goals, or that our recommendations of accounts or securities will perform as anticipated. We cannot predict the success of any investment or investment strategy, and you should expect that the value of your investments will fluctuate due to market conditions and other factors.

You should also be prepared to bear the risk of loss. **The past performance of any security or investment strategy is not indicative of future performance.**

You should review the offering documents of any security that we or our financial professionals recommend. These documents will continue a discussion of risks associated with the investment. If you would like a copy of any offering document prior to purchasing an investment, please contact us at (866) 368-0566.

Risks of Investing in Mutual Funds

To the extent your account is invested in mutual funds, your account will be subject to the performance of the mutual funds held in your account. Additionally, your account will be subject to the risk that the mutual funds will not meet their investment objectives, and you will be exposed to the risks of the underlying securities in the fund. You should expect to be subject to the following risks:

- Market Risk. The risk that securities in a mutual fund go up or down due to factors affecting the securities markets generally or a particular industry.
- Equity Securities Risk. The risk that prices of equity securities held by a mutual fund are generally more volatile than the prices of fixed income securities, and that equity security prices will rise and fall in response to a number of different factors, including events that affect particular companies as well as events that affect entire financial markets or industries.
- Interest Rate Risk. The risk that the value of fixed income securities in a mutual fund will decline because of an increase in interest rates.
- Credit Risk. The risk that fixed income securities in a mutual fund will be unable to meet their financial obligations, causing a decline in the value of the securities and, as a result, in the mutual fund itself.
- Foreign Investment Risk. The risk that a mutual fund's investments in securities issued by foreign issuers will be subject to fluctuations in currency exchange rates, political instability, and foreign taxes. Such risks may be more pronounced for issuers in developing or emerging market countries.

To learn more about mutual fund-specific risks, you should review the prospectuses of the mutual funds available in your account, which are available by logging into your account at Transamerica.com.

Risks of Investing in Annuities

Purchasing annuity products involve significant risks and are not appropriate for everyone. Described below are certain of those risks, but each annuity has unique and specific risks. With annuity products, returns are not guaranteed, and you could lose some or all of your investments. You should give careful consideration to the risks described below, and you should read the annuity contract and the annuity prospectus when evaluating an annuity product to ensure you understand the product and its associated risks.

- Insurance Company Risk. The risk the insurance company that issues the annuity contract is not able to back all guarantees of the annuity, including the death benefit, living benefits, and annuity payments. Annuity holders are exposed to the risk that the insurance company experiences financial distress and is unable to meet its contractual obligations to the holder.

- Risk of RILAs. A RILA may be protected by a "buffer" or "shield" that is a set percentage of loss that the insurance company is willing to absorb before deducting value from the RILA. Notwithstanding any buffer or shield, RILA owners may lose money, including the potential loss of a substantial portion of their original investment. The value of the RILA owner's investment and any returns will depend on the performance of the selected index or indices and any available investment options he or she chooses and is subject to market fluctuation and other investment risks.

- Risk of VAs. Variable annuities are not a short-term investment product and are not appropriate for all investors. The potential to incur surrender charges, and the annuity tax deferral and living benefit protections, mean that VAs are typically most beneficial to investors with a long-term investment time horizon. VA owners may lose money, including the potential loss of their original investment. The value of the VA owner's investment and any returns will depend on the performance of the investment options he or she chooses and is subject to market fluctuation and other investment risks.

- Risk of Optional Benefits Risk. Optional benefits, or "riders", may carry investment restrictions, or the benefits of the optional benefits (riders) may be significantly reduced if withdrawals over a certain amount are made or if withdrawals are taken before you reach a certain age.

In addition to the investment-specific risks associated with investments and investment strategies involving securities, there are other potential risks associated with any relationship with financial intermediaries such as TIS. For example, as the use of technology increases, TIS or its affiliates may be more susceptible to operational or information security-related risks. A breach in cyber security refers to both intentional and unintentional events that may cause TIS or affiliates to lose proprietary information or operational capacity or suffer data corruption. Cyber security breaches can cause disruptions and affect business operations, potentially resulting in financial losses, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs or additional compliance costs.

When we make recommendations to roll over assets from or into a retirement plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or an IRA, we are providing fiduciary investment advice as defined under ERISA. To make these recommendations, we rely on a prohibited transaction exemption (PTE 2020-02) issued by the Department of Labor. The exemption requires that we act in your best interest, receive only reasonable compensation and make no materially misleading statements. We must also provide disclosures to you regarding firm services and conflicts of interest, reasons for recommending a rollover, and acknowledgement of fiduciary status; maintain and enforce policies and procedures designed to ensure compliance with the exemption and perform an annual review relating to the firm's compliance with the exemption.

For additional information regarding TIS and its brokerage services, or your brokerage account, please see our Form Client Relationship Summary ("Form CRS") which is available at https://www.transamerica.com/portal/. We encourage you to review this Disclosure Statement in detail. You can contact TIS with any questions you may have, and you may also request this Disclosure Statement or our Form CRS by contacting us at (866) 368-0566. In addition, you may also research your financial professional's experience and licenses on the Financial Industry Regulatory Authority's ("FINRA") BrokerCheck website at brokercheck.finra.org.